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C O N F I D E N T I A L SECTION 01 OF 02 JERUSALEM 002132

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NEA FOR FRONT OFFICE AND IPA; NSC FOR SHAPIRO/KUMAR; JOINT STAFF FOR LTGEN SELVA

E.O. 12958: DECL: 11/27/2019 TAGS: PREL PGOV KWBG KPAO KPAL IS SUBJECT: WEST BANK SETTLEMENT CONSTRUCTION MORATORIUM, TOME OF PALESTINIAN RESPONSE ASCRIBED TO USG PRESSURE

REF: JERUSALEM 2130

Classified By: Consul General Daniel Rubinstein for reasons 1.4 (b,d).

SUMMARY

- 11. (SBU) The GOI's November 25 announcement of a ten-month moratorium on new residential construction in West Bank settlements was the subject of continued criticism on November 26-27. Palestinian officials issued a stream of press statements arguing that the moratorium was meaningless without the inclusion of East Jerusalem and fell short of Israel's obligations under the Roadmap. Settler leaders charged in the Israeli press that Prime Minister Netanyahu had caved to USG pressure, and betrayed his campaign promises.
- 12. (C) Palestinian officials' public criticism of the USG lessened in stridency, however. Speaking from Chile on November 26, President Abbas called the moratorium "insufficient," and said he planned to raise a UN Security Council-backed demarcation of Palestine's borders with the USG, among others. Palestinian Liberation Organization (PLO) Executive Committee Secretary General Yasir Abd Rabbo announced from Ramallah that while the PLO considered the GOI announcement a "political maneuver" that "shows Israel is not serious about peace," it also appreciated the USG's statements regarding the illegitimacy of settlement activity, and the relevance of the 1967 borders. Privately, contacts told Post that the Palestinian political leadership was frustrated.

SETTLERS VOICE ANGER AT NETANYAHU

13. (C) Prime Minister Netanyahu's November 25 declaration of a ten-month moratorium on residential construction in West Bank settlements drew continued fire from senior settler leaders on November 26-27. Daniel Luria, spokesman for ultra-nationalist settler movement Ateret Cohanim, told Post, "the voters didn't elect Netanyahu to freeze settlements, and he will pay for it at the polls. He is trying to please the U.S., which won't serve Israeli interests. Israel shouldn't be trying to please the Arabs -- nothing Israel does satisfies them anyway. Israel needs to cut its umbilical cord to the U.S., as the dependence is unhealthy for both."

MORATORIUM ATTRIBUTED TO US PRESSURE

14. (C) Prominent Palestinian civil society and political leaders widely attributed the GOI decision to USG pressure. Palestinian historian and journalist Mahdi Abdul Hadi told Post, "Netanyahu's message was not geared to Palestinians or Arabs, it was written expressly to satisfy the U.S. government. And the fact that Jerusalem was not included shows Israel is not serious about peace." In an interview with Israeli Army Radio, PLO chief negotiator Saeb Erekat accused the GOI of attempting to appease the USG, saying, "At the end of the day, Netanyahu needs to make peace with us, the Palestinians. He doesn't need to make peace with the Americans. If that's what he wants to do, that's his business -- but the last I knew, Washington is 6,000 miles away from Jerusalem, and Jericho is 67."

EXCLUSION OF JERUSALEM REMAINS A STICKING POINT

15. (U) In a statement issued November 26, Fatah Central Committee (FCC) member Mohammed Dahlan said that, "the issue of Jerusalem is a very sensitive issue. Ignoring the issue of Jerusalem will jeopardize the whole peace process...(the GOI) is continuing to use force to create new facts on the ground, with the aim of isolating Jerusalem from the rest of the Palestinian territories." In an official statement issued from Ramallah, the FCC as a body said that the GOI proposal showed that Netanyahu was "continuing to avoid the peace process." Hamas joined in the criticism from Gaza, with spokesman Sami Abu Zuhri referring to the freeze as a "cosmetic step," which "aims to restart pointless negotiations...without any real cost."

PALESTINIAN LEADERSHIP REJECTS FREEZE, APPEALS TO ALLIES

16. (U) While rejecting the GOI moratorium as "insufficient" JERUSALEM 00002132 002 OF 002

and "not serious," PA and PLO leadership reached out to its Arab allies and the USG for assistance. In remarks made in Santiago on November 26, President Abbas charged that the GOI had chosen settlements over peace, and said, "faced with this Israeli position, we are consulting with our Arab brothers, with the Latin American, African, European, and Asian countries and groups, and in the future with the American administration, regarding the possibility of going to the United Nations Security Council with the aim of demarcating the borders of the state of Palestine on the June 4, 1967 borders, with East Jerusalem as its capital."

- 17. (SBU) In a November 26 press conference, PLO Executive Committee Secretary-General Yasir Abd Rabbo called the proposed GOI freeze, "an attempt to deceive world opinion. He continued, "what is needed for the resumption of the peace process is not theatrical moves like Netanyahu's announcement." Abd Rabbo argued that what was required was increased USG effort to achieve "a total cessation of settlement activity in both Jerusalem and the West Bank, without exception," and "commitments by both sides to the 1967 borders, with any amendments mutually-agreed." (Note: the above reflects an unofficial translation of Abd Rabbo's remarks.)
- 18. (SBU) Abd Rabbo noted that "we appreciate the (USG) positions declared after the Netanyahu statement, which called for a total cessation of settlement activity, and appreciate the reference to the 1967 borders as the borders of the (Palestinian) state." He continued, "we note the positive statements by Secretary Clinton and Senator Mitchell regarding the illegitimacy of settlements, and also that Secretary Clinton and Senator Mitchell decried Israeli practices in Jerusalem." He finished by saying that "we will maintain contact will all parties, including the U.S."

PALESTINIAN LEADERSHIP PRIVATELY FRUSTRATED

19. (C) In conversations with Post on November 26-27, PLO Executive Committee member Saleh Rafat, Palestinian Legislative Council (from Fatah) member Husam Khader, and

former PA Minister for Jerusalem Affairs Hatem Abdel Qader described the PLO and PA leadership as privately frustrated. All three asserted that the Palestinian leadership -- including Abu Mazen -- believed internally that there was "no way" to resume negotiations on the basis of the Israeli declaration. At the same time, they said, some in the PLO leadership feared negative consequences to their relations with the USG, and had sought to manage relations more carefully by moderating their initial public position.

110. (C) The same contacts pointed Post to Abd Rabbo's positive statements about the remarks made by the Secretary and Senator Mitchell as evidence of a softened PLO line, and predicted that while the PLO and PA will continue to refer to the proposed GOI freeze in negative terms, it will avoid direct criticism of the USG. They also conveyed that it is believed in Palestinian political circles that on November 30 (official "International Day of Solidarity with the Palestinian People), President Abbas will instruct the Palestinian Permanent Observer to the United Nations to deliver a speech on his behalf seeking the assistance of UN member states in determining the terms of reference for a "meaningful" peace process.

RUBINSTEIN